



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-890)

Wooden Bedroom Furniture from the People's Republic of China: Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (“the Department”) is simultaneously initiating, and issuing the preliminarily results of, a changed circumstances review of the antidumping duty (“AD”) order on wooden bedroom furniture (“WBF”) from the People’s Republic of China (“PRC”). We preliminary determine that Yihua Lifestyle Technology Co., Ltd. (“Yihua Tech”) is the successor-in-interest to Guangdong Yihua Timber Industry Co., Ltd. (“Yihua Timber”) for purposes of the AD order on WBF from the PRC and, as such, is entitled to Yihua Timber’s cash deposit rate with respect to entries of subject merchandise. Interested parties are invited to comment on this preliminary determination.

DATES: Effective (Insert date of publication in the *Federal Register*).

FOR FURTHER INFORMATION CONTACT: Jonathan Hill, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-3518.

## SUPPLEMENTARY INFORMATION:

### Background

On January 5, 2005, the Department published the AD order on WBF from the PRC.<sup>1</sup> On July 28, 2016, Yihua Tech requested that the Department initiate an expedited changed circumstances review (“CCR”) and determine that it is the successor-in-interest to Yihua Timber for purposes of determining AD liabilities.<sup>2</sup> On September 9, 2016, the Department requested from Yihua Tech additional information in order to determine whether to initiate the requested CCR.<sup>3</sup> On November 18, 2016, Yihua Tech submitted an amendment to its CCR Request, which included the additional information requested by the Department.<sup>4</sup> Thus, the 45-day time period for the Department to determine whether to initiate the requested changed circumstances review began on this date.<sup>5</sup> On December 23, 2016, the Department determined that additional time was necessary to consider Yihua Tech’s request for the changed circumstances reviews.<sup>6</sup> Therefore, in accordance with 19 CFR 351.302(b), the Department extended the time period for determining whether to initiate the requested changed circumstances reviews by an additional 30 days, until February 1, 2017. The Department received no comments on Yihua Tech’s CCR Request.

### Scope of the Order

---

<sup>1</sup> See *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture from the People’s Republic of China*, 70 FR 329 (January 4, 2005) (“Order”).

<sup>2</sup> See Letter from Yihua Tech to the Secretary of Commerce “Wooden Bedroom Furniture from the People’s Republic of China (AD) and Multilayered Wood Flooring from the People’s Republic of China (AD/CVD); Request for Changed Circumstances Review,” dated July 28, 2016 (“CCR Request”).

<sup>3</sup> See Letter from Howard Smith, Program Manager, AD/CVD Operations, Office IV, Enforcement & Compliance to Yihua Tech dated September 9, 2016.

<sup>4</sup> See Letter from Yihua Tech to the Secretary of Commerce “Wooden Bedroom Furniture from the People’s Republic of China (AD) and Multilayered Wood Flooring from the People’s Republic of China (AD/CVD); Amendment to Request for Changed Circumstances Review,” dated November 18, 2016 (“Amendment to CCR Request”).

<sup>5</sup> See 19 CFR 351.216(b).

<sup>6</sup> See Letter from Abdelali Elouaradia, Office Director, Office IV, AD/CVD Operations “Wooden Bedroom Furniture from the People’s Republic of China (Antidumping Duty Order) and Multilayered Wood Flooring from the People’s Republic of China (Antidumping Duty and Countervailing Duty Orders): Request for a Changed Circumstances Review,” dated December 23, 2016.

The product covered by the order is wooden bedroom furniture, subject to certain exceptions.<sup>7</sup> Imports of subject merchandise are classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 9403.50.9042, 9403.50.9045, 9403.50.9041, 9403.60.8081, 9403.20.0018, 9403.90.8041, 7009.92.1000, or 7009.92.5000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description in the *Order* remains dispositive.<sup>8</sup>

#### Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (“the Act”), and the Department's regulations (19 CFR 351.216 and 351.221(c)(3)), the Department will conduct a changed circumstances review upon receipt of information concerning, or a request from an interested party for a review of, an order which shows changed circumstances sufficient to warrant a review of the order. In the past, the Department has used CCRs to address the applicability of cash deposit rates after there have been changes in the name of a respondent, (“successor-in-interest” or “successorship” determinations). The information submitted by Yihua Tech claiming that it is Yihua Timber’s successor-in-interest relates to a name change. Specifically, Yihua Tech reported that effective May 17, 2016, the Guangdong Provincial Administration for Industry and Commerce approved Yihua Tech’s change of name from Guangdong Yihua Timber Industry Co., Ltd. to Yihua Lifestyle Technology Co., Ltd., and approved a minor modification to Yihua Timber’s business scope.<sup>9</sup> Consistent with Department practice, the information submitted by Yihua Tech demonstrates changed circumstances

---

<sup>7</sup> See *Order*, 70 FR at 332-33.

<sup>8</sup> For a complete description of the Scope of the Order, please see memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance “Wooden Bedroom Furniture from the People’s Republic of China: Preliminary Decision Memorandum of Changed Circumstances Review,” dated concurrently with this notice (“Preliminary Decision Memorandum”).

<sup>9</sup> See CCR Request at Attachment 1.

sufficient to warrant a review.<sup>10</sup> Therefore, in accordance with section 751(b)(1) of the Act and 19 CFR 351.216(d), the Department is initiating a changed circumstances review to determine whether Yihua Tech is the successor-in-interest to Yihua Timber.

### Preliminary Results

When it concludes that expedited action is warranted, the Department may publish the notice of initiation and preliminary results of a CCR concurrently.<sup>11</sup> The Department has combined the notice of initiation and preliminary results in successor-in-interest cases when sufficient documentation has been provided supporting the request to make a preliminary determination.<sup>12</sup> In this instance, because the record contains information necessary to support the request for a preliminary determination, we find that expedited action is warranted, and we are combining the notice of initiation and the notice of preliminary results, in accordance with 19 CFR 351.221(c)(3)(ii).

In a CCR, we generally consider a company to be the successor to another company for AD cash deposit purposes if the operations of the successor are not materially dissimilar from those of its predecessor.<sup>13</sup> In making this determination, the Department examines a number of factors including, but not limited to, changes in: (1) management; (2) production facilities; (3) suppliers; and (4) customer base.<sup>14</sup> While no one or several of these factors will necessarily provide a dispositive indication of succession, the Department will generally consider one

---

<sup>10</sup> See 19 CFR 351.216(d).

<sup>11</sup> See 19 CFR 351.221(c)(3)(ii).

<sup>12</sup> See, e.g., *Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the People's Republic of China*, 81 FR 76561 (November 3, 2016) (“*Solar Cells PRC 2016*”), unchanged in *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: Final Results of Changed Circumstances Review*, 81 FR 91909 (December 19, 2016).

<sup>13</sup> *Id.*

<sup>14</sup> See *Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Multilayered Wood Flooring from the People's Republic of China*, 79 FR 48117, 48118 (August 15, 2014), unchanged in *Multilayered Wood Flooring from the People's Republic of China: Final Results of Changed Circumstances Review*, 79 FR 58740 (September 30, 2014).

company to be the successor to another company if its resulting operation is essentially the same as that of its predecessor.<sup>15</sup> Thus, if the evidence demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the prior company, the Department will assign the new company the cash deposit rate of its predecessor.<sup>16</sup>

In its CCR Request (and its Amendment,) Yihua Tech provided evidence demonstrating that its operations are not materially dissimilar from those of its predecessor.<sup>17</sup> Specifically, Yihua Tech is managed and operated by the same management teams as those of Yihua Timber, with the exception of the change to the general manager, which occurred prior to the name change, and was unrelated to the name change.<sup>18</sup> Further, Yihua has not added, or discontinued use of, wooden bedroom furniture production facilities as a result of the change in name.<sup>19</sup> Finally, there have been non-material changes to the company's suppliers,<sup>20</sup> and no changes to the company's customer base.<sup>21</sup> Based on the foregoing, which is explained in greater detail in the Preliminary Decision Memorandum, we preliminarily determine that Yihua Tech is the successor-in-interest to Yihua Timber and, as such, that it is entitled to Yihua Timber's AD cash deposit rate with respect to entries of subject merchandise. Should our final results remain the same as these preliminary results, we will instruct U.S. Customs and Border Protection to assign entries of subject merchandise exported by Yihua Tech the AD cash-deposit rate applicable to Yihua Timber, effective the date of publication of the final results.

---

<sup>15</sup> *Id.*

<sup>16</sup> *See Solar Cells PRC 2016* at 76562.

<sup>17</sup> *See generally* CCR Request and Amendment to CCR Request.

<sup>18</sup> *See* CCR Request at Attachments 1 and 5 and Amendment to CCR Request at Attachments 2 and 3.

<sup>19</sup> *See* CCR Request at 4 and Attachment 4 and Amendment to CCR Request at 2-4 and Attachment 1.

<sup>20</sup> *See* CCR Request at Attachment 9 and Amendment to CCR Request at Attachment 4.

<sup>21</sup> *See* CCR Request at Attachment 10.

## Public Comment

Interested parties may submit case briefs not later than 14 days after the date of publication of this notice.<sup>22</sup> Rebuttal briefs, which must be limited to issues raised in such briefs, may be filed not later than seven days after the date of publication of this notice.<sup>23</sup> Parties who submit case briefs or rebuttal briefs in this changed circumstances review are requested to submit with each argument: (1) a statement of the issue; and (2) a brief summary of the argument with an electronic version included.<sup>24</sup>

Any interested party may request a hearing within 14 days of publication of this notice.<sup>25</sup> Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230 in a room to be determined.<sup>26</sup>

All submissions, with limited exceptions, must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS").<sup>27</sup> An electronically filed document must be received successfully in its entirety by 5 p.m. Eastern Time ("ET") on the due date. Documents excepted from the electronic

---

<sup>22</sup> The Department is exercising its discretion under 19 CFR 351.309(c)(1)(ii) to alter the time limit for the filing of case briefs.

<sup>23</sup> The Department is exercising its discretion under 19 CFR 351.309(d)(I) to alter the time limit for the filing of rebuttal briefs.

<sup>24</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>25</sup> The Department is exercising its discretion under 19 CFR 351.310(c) to alter the time limit for requesting a hearing.

<sup>26</sup> See 19 CFR 351.310(d).

<sup>27</sup> ACCESS is available to registered users at <https://access.trade.gov> and available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building.

submission requirements must be filed manually (*i.e.*, in paper form) with the APO/Dockets Unit in Room 18022 and stamped with the date and time of receipt by 5 p.m. ET on the due date.<sup>28</sup>

Unless extended, consistent with 19 CFR 351.216(e), we intend to issue the final results of this changed-circumstances review no later than 270 days after the date on which this review was initiated or within 45 days if all parties agree to the outcome of the review. We intend to issue and publish this initiation and preliminary results notice in accordance with sections 751(b)(1) and 777(i)(1) of the Act and 19 CFR 351.216 and 351.221(c)(3) of the Department's regulations.

*Dated:* February 1, 2017

---

Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

---

<sup>28</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures: Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

